GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:1761
ANSWERED ON:20.07.2004
SETTING UP OF ECONOMIC GROWTH CLUSTERS
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Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether the Union Government proposes to set up economic growth clusters for making improvement in the growth of urban areas for the next five years;

(b) if so, the details in this regard;

(c) whether poor quality of infrastructure is acting as impediment to growth of urban areas; and

(d) if so, the steps taken/proposed to be taken to improve the growth of urban areas with good quality infrastructure?

Answer

MINISTER OF PARLIAMENTARY AFFAIRS AND URBAN DEVELOPMENT (SHRI GHULAM NABI AZAD)

(a)&(b): No, Sir. No specific scheme to set up economic growth clusters for making improvement in the growth of urban areas exist. However, Planning Commission has reported following schemes which promote industrial/ economic growth clusters development:

1. Growth Centres Scheme being implemented by Department of Industrial Policy & Promotion.

2. Industry Infrastructure Upgradation Scheme being implemented by Department of Industrial Policy & Promotion.

3. Assistance to States for Infrastructure Development for Exports (ASIDE) being implemented by Department of Industrial Policy & Promotion.

4. Special Economic Zones Scheme being implemented by Department of Commerce.

5. Apparel Parks for Exports Scheme being implemented by Ministry of Textiles.

6. Textile Centres Infrastructure Development Scheme being implemented by Ministry of Textiles.

(c): The urban infrastructure is continuously being upgraded by improving water supply, power supply,solid waste management, housing, poor transport network etc.

(d): The development of infrastructure in urban areas comes within the purview of State Government. However, in order to provide good quality infrastructure the centrally sponsored scheme of Integrated Development of Small and Medium Town (IDSMT) is in operation since 1979-80 with one of the objectives to improve and provide infrastructure facilities and services as well as create employment opportunities in towns with a population upto 5 lakhs. In 1993-94, Centrally sponsored Scheme for Infrastructural Development in Mega Cities was launched in 5 cities viz. Mumbai, Kolkata, Bangalore, Hyderabad and Chennai. Under the Scheme sharing between Central & State Governments is in the ratio of 25:25 and balance 50% is mobilized by nodal/ implementing agencies. Internal resources of implementing agencies could substitute institutional finance. Funds from Central & State Governments flow as grant to nodal agencies. Nodal agencies sanction loan at variable rate of interest for urban infrastructures including water supply, sewerage, drainage, sanitation, city transport networks, land development, slum improvement, solid waste management etc. Moreover, to provide safe & adequate water supply facilities scheme of AUWSP (Augmented urban Water Supply Programme) was launched in 1993-94.

It is also proposed to expand the coverage of the above mentioned Schemes by including larger expanse of Urban population.